

The House Committee on Governmental Affairs offers the following substitute to HB 827:

A BILL TO BE ENTITLED

AN ACT

1 To amend Article 1 of Chapter 9 of Title 45 of the Official Code of Georgia Annotated,
2 relating to state officers and employees, so as to provide for the authorization of the
3 Department of Administrative Services to procure a group liability insurance policy for
4 hospitals providing emergency room services; to provide for the terms and conditions under
5 which such hospitals may participate in such group liability insurance policy; to provide for
6 the payment by participating hospitals of premiums and broker fees related to such insurance
7 policy; to provide for protection for the state from liability for premiums and claims related
8 to coverage under such policy; to provide that the state shall not be authorized to self-insure
9 any participating hospital; to provide for automatic repeal; to provide for related matters; to
10 repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

13 Article 1 of Chapter 9 of Title 45 of the Official Code of Georgia Annotated, relating to state
14 officers and employees, is amended by adding a new Code Section 45-9-4.3 to read as
15 follows:

16 "45-9-4.3.

17 (a) For the purposes of this Code section, the term 'hospital' means a hospital having an
18 emergency room providing services 24 hours a day and seven days a week.

19 (b) The Department of Administrative Services is authorized to obtain a group liability
20 insurance policy for and on behalf of those hospitals defined in subsection (a) of this Code
21 section. A hospital which desires to participate in such insurance coverage shall enter into
22 a written agreement with the Department of Administrative Services, prior to the
23 department's commencement of negotiations with any prospective insurance carriers, that
24 such hospital agrees to accept such coverage for the term of the policy contingent upon the
25 premiums for the group policy, plus such hospital's share of any broker's fee, being less

than or equal to the hospital's current premiums for similar coverage. A hospital participating in such group insurance plan shall be solely responsible for payment of its premiums under the policy. Under no circumstances shall this Code section be construed to hold the state liable for any premiums related to such group policy or for any claims filed against any hospital covered under such group policy.

(c) The provisions of this Code section shall not authorize the state to self-insure any hospital participating in such group insurance plan.

(d) This Code section is automatically repealed effective July 1, 2007."

SECTION 2.

All laws and parts of laws in conflict with this Act are repealed.